

**Montana Board of Oil and Gas Conservation
Environmental Assessment**

Operator: Mountain View Energy
Well Name/Number: Red Creek 67
Location: NE NE Section 11 T37N R5W
County: Glacier, MT; Field (or Wildcat) Red Creek

Air Quality

(possible concerns)

Long drilling time: No, 4 to 5 days drilling time.

Unusually deep drilling (high horsepower rig): No, single derrick drilling rig to drill to 2900' TD, Madison Formation.

Possible H₂S gas production: Yes, slight low ppm H₂S associated with Cut Bank/Madison Oil Production.

In/near Class I air quality area: No Class I air quality area. Closest Class I area is the Blackfoot Indian Reservation, about 7 miles to the west from this location.

Air quality permit for flaring/venting (if productive): Yes, DEQ air quality permit required under 75-2-211.

Mitigation:

☒ Air quality permit (AQB review)

☐ Gas plants/pipelines available for sour gas

☐ Special equipment/procedures requirements

☐ Other: _____

Comments: No special concerns – using small rig to drill to 2900' TD.

Water Quality

(possible concerns)

Salt/oil based mud: No, freshwater, freshwater mud system and/or air & air mist.

High water table: None expected.

Surface drainage leads to live water: No, nearest drainages are ephemeral tributary drainages to the Red River, also an ephemeral drainage, about ½ of a mile to the southwest and about ¾ of a mile to the southeast from this location.

Water well contamination: No, closest water wells are about 1/8 of a mile to the north, about 5/8 of a mile to the southwest, about ¾ of a mile to the south and about 7/8 and 1 mile to the east southeast from this location. Deepest of these water wells are 203'.

This well will drill to 350' with freshwater and or air mist, set 350' of steel surface casing and cement it to surface to protect surface and ground waters.

Porous/permeable soils: No, sandy bentonitic soils.

Class I stream drainage: No Class I stream drainages.

Mitigation:

☐ Lined reserve pit

☒ Adequate surface casing

☐ Berms/dykes, re-routed drainage

☐ Closed mud system

☐ Off-site disposal of solids/liquids (in approved facility)

☐ Other: _____

Comments: 350' of surface casing will be set and cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems and or air mist to be used.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings: No, no streams will be crossed.

High erosion potential: No, small cut, up to 3.0' and small fill, up to 4.5', required.

Loss of soil productivity: No, location will be restored after drilling, if nonproductive. If productive unused portion of drillsite will be reclaimed.

Unusually large wellsite: No, 200'X200' location size required.

Damage to improvements: Slight, surface use is cultivation.

Conflict with existing land use/values: Slight, surface use cultivated field.

Mitigation

☐ Avoid improvements (topographic tolerance)

☐ Exception location requested

☒ Stockpile topsoil

☐ Stream Crossing Permit (other agency review)

☒ Reclaim unused part of wellsite if productive

☐ Special construction methods to enhance reclamation

☐ Other _____

Comments: Access will be through existing county roads and existing well access roads. A short access will be built into this location of about 1/16 of a mile. Drilling and reserve pit will be unlined. Reserve pit and drill pit fluids and cuttings will be allowed to dry in the pits. Once pits are dry, they will be filled with subsoil and the topsoil will be the last cover. No special concerns

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: None nearby. Closest residence is about 7/8 of a mile to the east southeast from this location.

Possibility of H₂S: Slight amount of H₂S, very low ppms.

Size of rig/length of drilling time: Small drilling rig/short 4 to 5 days drilling time.

Mitigation:

☒ Proper BOP equipment

☐ Topographic sound barriers

☐ H₂S contingency and/or evacuation plan

☐ Special equipment/procedures requirements

☐ Other: _____

Comments: Adequate surface casing and working BOP should mitigate any problems. No concerns.

Wildlife/recreation

(possible concerns)

Proximity to sensitive wildlife areas (DFWP identified): None identified.

Proximity to recreation sites: None identified

Creation of new access to wildlife habitat: No

Conflict with game range/refuge management: No
Threatened or endangered Species: Species identified as threatened or endangered are the Bull Trout, Grizzly Bear and the Canada Lynx. Species of Concern are Sprague's Pipit, Meltwater Lednian Stonefly, Wolverine and Whitebark Pine. NH tracker website lists three (3) species of concern. They are the Chestnut Collared Longspur, Long-billed Curlew and McCown's Longspur.

Mitigation:

- ☐ Avoidance (topographic tolerance/exception)
- ☐ Other agency review (DFWP, federal agencies, DSL)
- ☐ Screening/fencing of pits, drillsite
- ☐ Other: _____

Comments: Private cultivated surface lands. There may be species of concern that maybe impacted by this wellsite. We ask the operator to consult with the surface owner as to what he would like done, if a species of concern is discovered at this location. The Board of Oil & Gas has no jurisdiction over private surface lands.

Historical/Cultural/Paleontological

(possible concerns)

Proximity to known sites: None identified.

Mitigation

- ☐ avoidance (topographic tolerance, location exception)
- ☐ other agency review (SHPO, DSL, federal agencies)
- ☐ Other: _____

Comments: Private cultivated surface lands. There may be possible historical/cultural/paleontological sites that maybe impacted by this wellsite. We ask the operator to consult with the surface owner as to his desires to preserve these sites or not, if they are found during construction of the wellsite. The Board of Oil & Gas has no jurisdiction over private surface lands.

Social/Economic

(possible concerns)

- ☐ Substantial effect on tax base
- ☐ Create demand for new governmental services
- ☐ Population increase or relocation

Comments: No concerns. A development oil well in an existing oilfield, Red Creek Oil Field.

Remarks or Special Concerns for this site

Well is a 2900' Cut Bank and Madison Formation test.

Summary: Evaluation of Impacts and Cumulative effects

No significant impacts expected in the drilling of this oil well. Some short term surface impacts will occur.

I conclude that the approval of the subject Notice of Intent to Drill (does/**does not**) constitute a major action of state government significantly affecting the quality of the human environment, and (does/**does not**) require the preparation of an environmental impact statement.

Prepared by (BOGC): \s\Steven Sasaki _____

(title:) Chief Field Inspector

Date: January 13, 2012

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC
website

(Name and Agency)

Glacier County water wells.

(subject discussed)

January 13, 2012

(date)

US Fish and Wildlife, Region 6 website

(Name and Agency)

ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES

MONTANA COUNTIES, Glacier County

(subject discussed)

January 13, 2012

(date)

Montana Natural Heritage Program Website (FWP)

(Name and Agency)

Heritage State Rank= S1, S2, S3, T37N R5W

(subject discussed)

January 13, 2012

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____